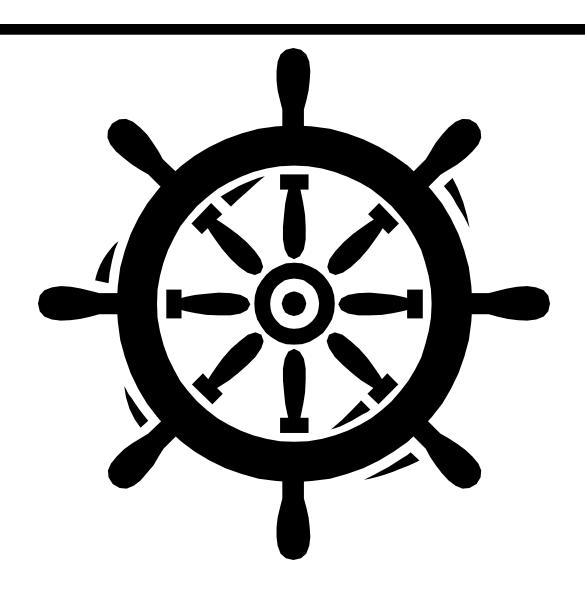
# Vessel Dealer Manual







The Department of Licensing has a policy of providing equal access to its services. If you need special accommodation, please call (360) 902-3600 or TTY (360) 664-8885.

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## **IMPORTANT**

THROUGHOUT THIS MANUAL, "HOTLINKS" TO OTHER WEB LOCATIONS ARE IN RED.

TO ACCESS THE DESIRED INFORMATION JUST "CLICK" IN THE RED AREA OF THE TEXT.

EXAMPLE: WAC 308-93-030

**SECTION 1** 

**REFERENCES** 

### REFERENCE LIST

### **VESSEL INDUSTRY CONTACT AGENCIES:**

Northwest Marine Trade Association Mariner Square Suite 233 1900 Northlake Way Seattle, WA 98103-9087 (206) 634-0911

#### **Vehicle Services, Dealer & Manufacturer Services Division** PO Box 9039 Olympia, WA 98507-9039 (360) 902-3700

The headquarters office is located in Olympia in the Highways-Licenses Building, with regional offices located throughout the state. We recommend that you contact the nearest office for assistance.

#### FIELD OFFICEADDRESS/PHONE/COUNTY ASSIGNED

SEATTLE	OLYMPIA	UNION GAP
NW Region	SW Region	SE Region
320 N 85th	PO Box 9039	2111 W Lincoln
Seattle WA 98103	Olympia WA 98507-9039	Yakima WA 98902
(206) 706-4255	(360) 664-6475	(509) 575-2777
FAX (206)706-4267	FAX (360) 586-0479	FAX (509) 454-7283

COUNTIES	COUNTIES/CITIES	COUNTIES
Clallam	Clark	Grant (Part)
Island	Cowlitz	Kittitas
Jefferson	Grays Harbor	Klickitat
King	Lewis	Yakima
Kitsap	Mason	
San Juan	Pacific	
Skagit	Pierce	

Thurston

City of Auburn

City of Enumclaw

Skamania

Snohomish

Wahkiakum

FAX (509) 734-7137

City of Moses Lake City of Othello City of Warden

Whatcom	City of Federal Way	
KENNEWICK	SPOKANE	COULEE DAM
3311 W Clearwater	NE Region	300 Lincoln, Suite 2
Suite 111	N 6517 Lidgerwood	Coulee Dam WA 98902
Kennewick WA 99336	Spokane WA 99208	
(509) 734-7138	(509) 482-3886	(509) 633-7031

FAX (509) 633-0842

COUNTIES/CITIES	COUNTIES/CITIES	COUNTIES/CITIES
Adams	Ferry Part)	Chelan
Asotin	Lincoln	Douglas
Benton	Pend Oreille	Ferry (Part)
Columbia	Spokane	Grant (North I-90)
Franklin	Stevens	Lincoln (Part)
Garfield	Whitman	Okanogan
Grant (Part)	City of Ritzville	City of Ephrata
Walla Walla	-	City of Soap Lake

FAX (509) 482-3880

# SECTION 2 GLOSSARY OF TERMS

BONA FIDE EMPLOYEE

A person who works for the firm and appears on the firm's

employment records.

WAC 308-90-030

BROKER

A vessel dealer who arranges the sale between the buyer and seller of a vessel and receives a form of compensation.

WAC 308-90-030

CARPENTER'S CERTIFICATE

A certificate issued by a manufacturer describing the vessel. The certificate lists the year, make, Hull Identification Number (HIN) and shows history of vessel from manufacturer through first transfer of ownership.

WAC 308-93-010(2)

COMMERCIAL FISHING

Operating under a currently valid commercial or charter fishing license.

CONSIGNMENT

An arrangement whereby a vessel dealer accepts entrustment of a vessel and agrees to sell the vessel on behalf of another.

WAC 308-90-030

DEALER

A person, partnership, association or corporation that sells vessels

at wholesale or retail in this state.

RCW 88.02.010(3)

DECLARATION OF VALUE FORM

The Department of Licensing form used when a vessel is acquired by lease or gift, homemade or the most recent purchase price is not known, to declare the value for purposes of assessing excise tax.

RCW 82.49.050

**DEPARTMENT** Department of Licensing

RCW 88.02.010(4)

**DIRECTOR** Director of the Department of Licensing

WAC 308-93-010(5)

**DISPLAY DECAL** A vessel dealer identifier designed and produced by the

Department which is used by Washington State registered vessel

dealers.

WAC 308-90-030

DOCUMENTED VESSEL

A vessel that is documented by the United States Coast Guard and

is issued a valid marine certificate.

WAC 308-93-010(6)

FIRM

A person, partnership, association or corporation engaged in the

business of selling vessels at retail or wholesale in the state.

WAC 308-90-030

FOREIGN VESSEL

A vessel owned and operated by a resident of another state registered in accordance with the laws of the state in which the

owner resides.

WAC 308-93-010(8)

CARD

**IDENTIFICATION** A card that may be issued by a firm identifying a person as authorized to operate vessels for vessel dealer business.

WAC 308-90-030

**LEGAL OWNER** 

A person, business or institution having a security interest in a vessel perfected in accordance with RCW 46.12.095 or the registered owner of a vessel unencumbered by a security interest or the lessor of a vessel unencumbered by a security interest.

WAC 308-93-010(9)

LIFEBOAT

Craft used exclusively for lifesaving purposes.

WAC 308-93-010(10)

LISTING

An arrangement whereby the seller will compensate the vessel

dealer to obtain a willing purchaser for the seller's vessel.

WAC 308-90-030

MANUFACTURER'S STATEMENT OF ORIGIN (MSO) A certificate issued by a manufacturer describing the vessel for which such certificate is issued and certifying the first conveyance of said vessel after its manufacture.

WAC 308-93-010(11)

OUT OF COUNTRY VESSEL

A vessel owned by a resident of a country other than the United States.

WAC 308-93-010(1)

OWNER

A person who has a lawful right to possession of a vessel by purchase, exchange, gift, lease, inheritance, or legal action whether or not the vessel is subject to a security interest.

RCW 88.02.010(2)

OVERALL LENGTH

A straight line measurement of the overall distance from the foremost point of the vessel to the aftermost part of the vessel; bumpkins, or boomkins, rudders, outboard motor brackets, outdrive units, propellers, and similar fittings or attachments are not included in the measurement.

WAC 308-93-010(12)

PRIMARILY

The principal purpose for which a vessel is used when considered

in conjunction with all of its uses.

WAC 308-93-010(15)

PROOF OF OWNERSHIP

The documents acceptable as evidence of ownership; i.e., court

orders, notarized bill of sale, MSO, title, etc.

PURCHASE PRICE The actual cost or price of a vessel, including engine or motor and

equipment purchased at the same time.

PURCHASE YEAR

The actual year of purchase.

REGISTERED OWNER A person who has a lawful right to possession of a vessel, whether

or not the vessel is subject to a security interest.

WAC 308-93-010(17)

REGISTRATION NUMBER

Washington Number (WN) assigned to a vessel.

**TENDER** A craft used exclusively to furnish transportation from a larger

vessel to shore and return.

WAC 308-93-010(23)

**TIME SHARE** Leased vessels where none of the parties leasing the vessel under

a "time share" option agreement are acquiring an equity in the

vessel and there is no option to buy.

WAC 308-93-010(23)

**USE OF WATERS** To navigate, operate, employ or moor any vessel upon the waters.

WAC 308-93-010(19)

VALID MARINE DOCUMENT

A document issued by the United States Federal Government which declares a vessel to be a documented vessel of the United

States.

WAC 308-93-010(20)

**VESSEL** Every watercraft used or capable of being used as a means of

transportation on the water other than a seaplane.

RCW 88.02.010(1)

WATERS OF THIS STATE

Any waters within the territorial limits of this state.

WAC 308-93-010(22)

# SECTION 3 VESSEL DEALER REQUIREMENTS

#### REGISTRATION OF DEALERS - RCW 88.02.060 and 88.02.230

Each vessel dealer in this state shall register with the department in the manner and upon forms prescribed by the department. Dealers are exempt from compliance with the vessel dealer requirements when they engage in the sale of human-powered watercraft. Human-powered watercraft is defined as the following: a) under 16 feet in length; b) unable to be powered by propulsion machinery or wind propulsion as designed by the manufacturer; and c) not designed for use on commonly used navigable waters.

#### **BOND** - RCW 88.02.060

Applicants are required to file with the department a surety bond in the amount of \$5,000, unless they sell 15 vessels or fewer per year having a retail value of no more than \$2,000 each.

#### **BOND EXEMPTION - RCW 88.02.210(2) and WAC 308-90-160**

Applicants or registered vessel dealers desiring to be exempt from the bonding requirement must provide a statement that they sell 15 or fewer vessels per year having a retail value of no more than \$2,000 each.

#### **CHANGE OF BUSINESS LOCATION - WAC 308-90-090**

The dealer shall notify the department of any change of the firm's business location or mailing address prior to engaging in the business at the new location. That is done by filing a change of address application provided by the department.

#### **DECAL - RCW 88.02.023**

Vessel dealers are issued vessel dealer display decals. These decals are to be used only to demonstrate: 1) vessels held for sale, or 2) vessels owned or consigned for sale that are also being used for vessel dealer business purposes only (these vessels must truly be available for sale).

#### **DISPLAY OF DEALER REGISTRATION - WAC 308-90-060**

The registration of a dealer shall be prominently displayed and visible to the public at the address appearing on the registration.

#### ISSUANCE OF TEMPORARY PERMITS BY REGISTERED VESSEL DEALERS

RCW 88.02.184

The department may authorize vessel dealers properly registered pursuant to this chapter to issue temporary permits to operate vessels under such rules as the department adopts when the vessel is not currently registered in Washington.

### **OBTAINING VESSEL DEALER'S REGISTRATION TO EVADE EXCISE TAX**

RCW 88.02.118

It is a gross misdemeanor for any person to obtain a vessel dealer's registration for the purpose of evading excise tax on vessels under Chapter 82.49 RCW. This law requires all excise tax to be collected on vessels 16 feet or over, unless specifically exempted.

## RECEIPT OF CASH OR NEGOTIABLE INSTRUMENTS BEFORE DELIVERY OF VESSEL - TRUST ACCOUNT - RCW 88.02.220 and WAC 308-90-120

A vessel dealer who receives cash or a negotiable instrument from a purchaser before delivery of the vessel shall place the funds in a separate trust account by the close of banking hours on the day following the receipt. The dealer's separate trust account cannot accrue interest.

A vessel dealer who receives cash or a negotiable instrument of deposit in excess of \$1,000, or a deposit of any amount that will be held for more than 14 calendar days, shall place the funds in a separate trust account.

### RECORDS OF THE PURCHASE AND SALE OF VESSELS - RCW 88.02.210(1)

A vessel dealer shall complete and maintain for a period of at least three years a record of the purchase and sale of all vessels purchased, consigned or sold by the vessel dealer. Records shall be made available for inspection during normal business hours.

## STATEMENT OF CHANGE IN BUSINESS STRUCTURE, OWNERSHIP, INTEREST OR CONTROL - WAC 308-90-110

Any person, firm, association, corporation or trust registered as a dealer must, within ten days following any change in its business or ownership structure, file a statement describing with particularity the change effected in its business structure or the change in ownership interest.

#### **TERMINATION OF BUSINESS - WAC 308-90-100**

When the dealer ceases to do business in the name or at the location set forth on the registration, the dealer shall immediately notify the department of the termination and return the registration.

#### TITLE TRANSFER - RCW 88.02.125(3) and WAC 308-90-150

The vessel dealer is required to make application for title in the purchaser's name within 30 days following the sale of the vessel.

#### **VESSEL DEALER BUSINESS ADDRESS - RCW 88.02.078**

A vessel dealer shall have and maintain an office in which to conduct business. The vessel dealer's place of business shall be identified by an exterior sign with the business name. The sign must also identify the nature of business, such as: marine sales, service, repair or manufacturing, unless the business name identifies the activity.

#### **AUDITS**

#### **GENERAL INFORMATION**

The Department of Licensing, Dealer Services Section in Vehicle Services, has the responsibility of administering Chapter 88.02 RCW, the Watercraft Registration Act, as it pertains to vessel dealers. Audits of all vessel dealerships are conducted on a regular basis to determine if the dealerships are in compliance with this law.

The following documents will be needed in order for the investigator to conduct an audit:

- Vessel Sales Records
- \* Inventory Vessel Records:
   Manufacturer Statement of Origin's (MSO) on new boats
   Titles on used boats
   Consignment agreements
   Flooring agent
- \* Documentation or Titles on Personally Owned Vessels
- General and Trust Account Records including Records of Receipts
- Surety Bond Data must have proof that you have a bond or that you are bond exempt

After the audit, an audit conference is conducted with the dealer. A copy of the audit report is provided to the dealer.

### **SECTION 4**

# DEFINITIONS OF SPECIFIC VESSELS TO BE REGISTERED AND TITLED

#### AMPHIBIOUS/MULTIPURPOSE VESSELS - WAC 308-93-030

Some vessels may be licensed for the road or for off-road use. An amphibious vessel is both a vehicle and a vessel.

It must be titled as a vehicle. It must also be registered as a vessel and display vessel numbers and decals if the owner wishes to use it on Washington State waters.

#### **BARGE** - WAC 308-93-050(10b)

Documented barges are exempt from titling, registration and excise tax as long as the vessel is primarily engaged in commerce which have or are required to have a valid marine document.

#### CHARTER/TIME SHARE VESSELS - WAC 308-93-050(10c) and WAC 308-93-010(23)

Documented charter vessels, time share vessels and bare boat vessels are exempt from titling, registration and excise tax as long as the vessel is primarily engaged in commerce which has or is required to have a valid marine document.

None of the parties leasing a vessel under a time share option may have equity in the vessel or have an option to buy. If lessee is paying into the equity, follow the procedures listed in the "Documented Pleasure Craft" section.

#### COMMERCIAL FISHING VESSEL - WAC 308-93-050(10a)

A documented commercial fishing vessel is exempt from titling, registration and excise tax as long as the vessel is primarily engaged in commerce which has or is required to have a valid marine document.

#### **DOCUMENTED PLEASURE CRAFT**

Documented pleasure craft are exempt from titling. However, they must be registered when used on Washington State waters. Certificate of Documentation is considered proof of ownership.

The following are additions to standard procedures on documented pleasure craft:

- 1) Valid Washington State registration decals must be displayed on the forward half of the vessel per decal instructions.
- 2) The registration number (WN) cannot be displayed on the vessel.
- 3) If a vessel is leased with option to buy, follow the procedures listed in the "How to Complete Vessel Title Applications Registered Owner" section.

#### **DOCUMENTED VESSELS**

Vessels documented by the United States government are not issued titles. They must register in Washington State unless specifically exempt. Examples of vessels that might be documented and could be exempt from registration are:

- 1) Military or public vessels of the United States, except recreational-type vessels.
- 2) Vessels owned by a state or subdivision, used primarily for governmental purposes and clearly identifiable as such.
- Vessels primarily engaged in commerce which are owned by a resident of another country.
- 4) Vessels primarily engaged in commerce having a valid marine document as a vessel of the United States. These include, but aren't limited to:
  - a) Commercial fishing vessels
  - b) Barges
  - c) Charter vessels. Charter vessels include:
    - Bare vessels charters
    - Time share vessels

NOTE: None of the parties leasing the vessel under a time share option are permitted to have any equity in the vessel or to have an option to buy.

#### FOR HIRE PASSENGER WATERCRAFT - RCW 88.04.025

The operator is licensed as an operator by either the Coast Guard or the Department of Labor and Industries.

For hire passenger vessels are:

- 1) Any watercraft capable of carrying more than six passengers for hire.
- 2) Which carries a valid and current certificate of inspection from the U.S. Coast Guard and the department of Labor and Industries.
- 3) The vessel has a current and valid registration certificate.
- 4) Vessel is covered by current and valid liability insurance.

#### **HOUSEBOAT - WAC 308-93-030**

All vessels are subject to excise tax, registration and titling if they are used on Washington State waters.

A houseboat is defined as a vessel in RCW 88.02.010(1).

<u>Means</u>: a watercraft used or capable to being used as a means of transportation on the water, other than a seaplane, and

<u>Does not mean</u>: any building or a float used in whole or in part for human habitation as a single-family dwelling, which is not designed for self propulsion by mechanical means or for propulsion by means of wind, nor propelled by mechanical means or wind.

WAC 308-93-010(24)

#### JET SKI/WET BIKE/PERSONAL WATERCRAFT - WAC 308-93-030

A jet ski, wet bike or personal watercraft is subject to registration and titling if used on Washington State waters.

#### **LIFEBOAT** - WAC 308-93-010(10)

A lifeboat is not required to be titled or licensed when used exclusively for life saving purposes.

#### RACING VESSELS - WAC 308-93-030

Racing vessels are subject to excise tax, registration, and titling when there home base is Washington and used on Washington State waters.

#### **SEAPLANE** - RCW 88.02.010(1)

A seaplane is an airplane that lands and takes off on navigable waters. Seaplanes are not required to be licensed as vessels.

#### **TENDER** - WAC 308-93-010(18)

Owners are not required to title or license tenders when they are used exclusively to furnish transportation from a larger vessel to shore and back. If the tender has a motor, the motor must be less than 10 HP. If the motor is 10 HP and over, the tender must be registered. Otherwise, the tender must display the number of the larger vessel followed by the suffix "1".

# SUMMARY OF VESSELS EXEMPT FROM WASHINGTON STATE REGISTRATION REQUIREMENTS

(RCW 88.02.030)

Washington State vessel registration is required for all vessels except for the following:

- 1) Military or public vessels of the United States, except recreational-type public vessels;
- 2) Vessels owned by a state or subdivision thereof, used principally for governmental purposes;
- 3) Vessels either registered or numbered under the laws of a country other than the United States or having a valid United States customs service cruising license;
- 4) Vessels owned by a resident of another state and registered in that state, but only to the extent that a similar exemption or privilege is granted under the laws of that state for vessels registered in this state;
  - Vessels that have been issued a valid number under federal law or by an approved issuing authority of the state of principal operation, unless the vessel is physically located in this state for a period of more than 60 days in any 12-month period.
- 5) Vessels owned by a resident of another state if the vessel is located upon the waters of this state exclusively for repairs or reconstruction;
- 6) Vessels equipped with propulsion machinery of less than ten horse power that:
  - a) Are owned by the owner of a vessel for which a valid vessel number has been issued:
  - b) Display the number of that numbered vessel followed by the suffix "1" in the manner prescribed by the department; and
  - c) Are used as a tender for direct transportation between that vessel and the shore and for no other purpose;
- 7) Vessels under 16 feet in overall length which have no propulsion machinery of any type; OR are not used on waters under federal jurisdiction and are powered by propulsion machinery of ten or less horsepower;
- 8) Vessels propelled by human-power;
- 9) Vessels which are temporarily in this state undergoing repair or alteration;
- 10) Vessels primarily engaged in commerce which have or are required to have a valid marine document as a vessel of the United States:
- 11) Vessels primarily engaged in commerce which are owned by a resident of a country other than the United States.

# SECTION 5 HOW TO COMPLETE VESSEL TITLE APPLICATIONS

#### **VESSEL TITLE APPLICATION**

### Completing All Vessels Applications

Dealers: Complete all applications carefully. You are supplying information for a deed to property – more specifically, a vessel. Your application will cause the department to issue a title.

# Vessel Title Application

Use the Vessel Title Application Form, TD-420-289, for all vessel title applications for vessels that are currently registered. If not currently registered, use a Dealer Temporary Permit, TD-420-716.

Fill out the application using the following instructions. Multiple choice options are listed.

#### **Title Options**

Original: No previous Washington record.

**Transfer:** Washington registered owner(s) is/are changing. **Duplicate:** To replace titles that are lost, mutilated, stolen, or destroyed.

**Change R/O Name:** To change a name that has occurred through marriage, Court Order, etc.

**Change Title Data:** To change data of the vessel such as the HIN, year, Make, or Documented.

**Change Lic. Data:** To change data which effects registration such as vessel length, purchase cost, purchase year, or Excise Tax exemptions.

**Add/Del/Chg L/O:** To add, delete, or change the Legal Owner (Lien) however the Registered Owner(s) is remaining the same.

#### Other Options

**Correction No-Fee:** to correct a title due to Department error. **Dealer Temp – CR:** to receive credit for the Temporary Permit.

# No Title Issued Options

**Foreign L/O Retains:** Not an option for Dealers. **Ownership in Doubt:** Not an option for Dealers.

**Options Double Transfer:** Not an option for Dealers. **Documented Vessel:** Vessel is to be documented by U.S.

government.

**Titled as a Vehicle:** when vessel is an Amphibious/multipurpose vessel and titled is issued on the vehicle.

#### **Decal Options**

**TPO:** Title purpose only. No registration is to be issued.

**Repl Decal:** The current registration decal needs to be replaced. **Repl Reg:** The current registration needs to be replaced. (Normally not necessary on title applications.

Assign CG#: Assign Coast Guard Number. The Coast Guard WN Number would have been assign to the vessel prior to 1985.

SPECIAL **OPTIONS**  JTWROS: Joint Tenants With Rights Of Survivorship.

**Leased:** A vessel under a rental contract for a specified term and for

a specified rent.

**Bonded:** Ownership in doubt. Dealer is posting a bond.

**WA BOAT** REG#

Enter WN Number if vessel has been assigned a number.

VALIDATING DECAL#

Enter the renewal decal number if currently registered. **NOTE:** Decals begin with one letter followed by six digits.

HULL I.D. # HIN All vessels are required to have a HIN. If a vessel dealer is in

possession of a vessel that has no HIN, the dealer must try to locate the HIN or complete a certificate of fact and make application for a

title before selling the vessel.

WAC 308-93-070

MODEL YEAR Enter all four digits of the year.

WAC 308-93-070

**MANUFACTURER** Enter the first eight characters of the manufacturer's name (not

model) without spaces or punctuation.

PREVIOUS WA

REG#

Not used except when a new WN number is being requested.

COAST Enter the document number if vessel is documented. **GUARD:** 

DOC. #

Enter "Applied for" if vessel will be documented.

HULL Use an X indicating the Hull Material.

PROPULSION Use an X indicating the primary propulsion. **FUEL** Use an X indicating the primary type of fuel.

**USE** Use an X indicating the primary use of the vessel.

**TYPE** Use an X indicating the type of vessel.

**LENGTH** Enter the length in feet (use up to three spaces). Round down.

Measure length from bow to stern or use length listed on MSO. (If MSO list length in inches convert to feet and round down.)

EXAMPLE: Enter 15 feet 11 inches as 15.

PURCHASE PRICE

Enter the latest purchase cost, including engine or motor and equipment if purchased at the same time. Note: Do not include boat

trailer.

DATE OF ACQUISITION

Enter Date Registered Owner(s) took possession of vessel.

ACQUIRED IN STATE OF

Enter in abbreviation for the state vessel was acquired.

(May leave blank.)

DATE VESSEL ENTERED WA

Enter date, if known. May leave blank.

**COLOR** Enter color and/or colors.

**HORSEPOWER** Enter the amount of horsepower of the primary engine.

**HULL SHAPE** Use an X to mark Hull Shape.

EXCISE TAX EXEMPTION

Use an X to designate any Excise Tax Exemption. Be sure to attach

any required forms.

USE TAX EXEMPTION

Use an X to designate any Use Tax Exemption. The first two (gift, inheritance, and transfer within marital community) would not

be used by dealers. Be sure to attach any required forms.

## COUNTY OF MOORAGE

Enter the two-digit county code indicating where the vessel is moored or kept. Do not use owner's address unless that is where the vessel is kept.

01	Adams	21	Lewis
02	Asotin	22	Lincoln
03	Benton	23	Mason
04	Chelan	24	Okanogan
05	Clallam	25	Pacific
06	Clark	26	Pend Oreille
07	Columbia	27	Pierce
80	Cowlitz	28	San Juan
09	Douglas	29	Skagit
10	Ferry	30	Skamania
11	Franklin	31	Snohomish
12	Garfield	32	Spokane
13	Grant	33	Stevens
14	Grays Harbor	34	Thurston
15	Island	35	Wahkiakum
16	Jefferson	36	Walla Walla
17	King	37	Whatcom
18	Kitsap	38	Whitman
19	Kittitas	39	Yakima
20	Klickitat		

### # OF REGISTERED OWNERS

Enter the number of registered owners. For more than two registered owners an additional application with the additional owners listed should be attached. (Only two registered owners will be shown on registrations and titles.

### # OF LEGAL OWNERS

Enter the number of legal owners. For more than two legal owners an additional application with the additional owners listed should be attached. (Only two legal owners will be shown on registrations and titles.

# REGISTERED OWNER

Enter any of the following as appropriate:

Last name, first name of registered owner(s) up to two per application. Additional applications may be attached with only the year, make HIN and Decal along with signatures filled in.

**JTWROS** – Enter "Joint Tenant with Rights of Survivorship" when the customer requests. Must be written out.

Enter Dept of Licensing Client "Number" for each registered owner or UBI number if owner is a business.

**Leases** – When leased for a year or more or if there is a purchase option, enter as shown below.

"LSE" is written or typed after the Lessee's name.

"LSR" is written or typed after the Lessor's name. The Lessor is entered in the "Legal Owner" box when there is no lienholder.

Example:

R/O Box Boat, Say L LSE

> 4 Closure Co. LSR 1 S. Main Stream Anytown, WA. 98501

Gotchur Loan Company L/O Box

> 41 High Interest Lane Olympia, WA 98501

NOTE:SUB-LESSEE – The name goes

on the first line, and the sub-lessee

address is used.

SHORT LEASE

When lease is less than one year, the lessor's name may appear as the sole registered owner with any lienholder listed in the legal owner space.

WAC 308-93-090

**LEGAL OWNER** Lienholder- enter the primary lienholder in the "LEGAL OWNER" box first and use their address. A secondary lienholder may also be entered when applicable. Use only the primary lienholder's address. The title will be mailed to the first lienholder.

SIGNATURES

All registered owners must sign the application(s).

Legal Owner(s) are not required to sign the application.

NOTARIZED OR CERTIFICATION All applications must be notarized or certified by one of the following:

**Notary Public** 

License Agent or Subagent (agency number must be listed after the certification signature.

Dealers or their authorized employee; the Dealer Number and position of the person certifying the signatures.

### DEALER REPORT OF SALE

The following is required on all vessels sold by Washington vessel dealers:

**Date of Sale and Date of Delivery.** Enter the dale of sale and date that the vessel was delivered.

**Washington dealer no.** Enter the Washington vessel dealer number. It must be four digits. Your vessel dealer number issued by the Department of Licensing is a number between 7000 and 8999.

Example: Account Number License No. V8-99-9\*-\*001MA XXXX

Your vessel dealer number is listed under the account number. You would use the first four numbers: 8999. Do not use the V or dashes.

**Dealer name.** Enter the name of the dealership.

**Dealer's authorized signature.** The Washington dealer or their authorized employee must sign.

FEE BOXES Calculate fees and taxes

**FILING FEE** The filing fee is \$4 without license, or \$7 with license.

**EXCISE TAX** Enter the result from the Excise Tax Chart.

**LICENSE** The license fee is \$10.50.

**APPLICATION** The application fee is \$5.00.

SALES/USE TAX Do not fill out this space if collecting sales/use tax under your dealer number.

OTHER

If replacement Decals is needed the fee is 1.00.

## TOTAL FEES AND TAX

Total of the amounts in all the fee boxes.

#### **SALES TAX**

# SALES TAX ON VESSELS

Sales tax is due on the purchase of any vessel sold through a Washington dealer. The vessel dealer must:

- · Collect the sales tax,
- Complete the report of sale space,
- · Record the dealer number on the application, and
- Sign the application.

The application will be rejected if the Dealer Report of Sales is not completely filled out.

The dealer must submit the taxes directly to the Department of Revenue.

#### SALES RATE

The sales tax rate is listed in the quarterly schedule from the Department of Revenue.

Sales tax is collected on vessels at the tax rate indicated for the place of sale (dealer).

RCW 82.08.020

#### **VESSEL DEALER TEMPORARY PERMIT**

A vessel dealer licensed in Washington may deliver a vessel that is not currently registered in Washington (and requires a Washington State registration) by using a vessel dealer's temporary license permit.

To do this the dealer must:

- 1) Complete the permit properly, including the dealer's report of sale box and the fee boxes.
- 2) Detach the cardboard copy of the permit and record the expiration in bold dark letters and numbers on the permit side of the copy.
- 3) Instruct the purchaser to carry in the vessel the cardboard copy of the permit and the purchase order identifying the sale until registration is received.
- 4) Submit the remaining copies to a license agent or subagent within 30 days. Include all fees, taxes and supporting documents, such as the title.

The dealer is responsible for titling and licensing the sold vessel within thirty (30) days.

The cost of a vessel dealer temporary permit is \$5. The \$5 permit fee cannot be charged to the customer. The \$5 fee is reimbursed to the dealer as a credit toward the registration fees when making application for title and/or registration with a license agent or subagent.

Fees paid by the dealer to purchase temporary permits are not refundable unless the dealer ceases doing business as a vessel dealer or the permit is destroyed or mutilated. Temporary permits are not transferable from one vessel dealer to another. It is unlawful for a dealer to use or to allow the use of a temporary permit in the following circumstances:

- 1) For demonstration purposes.
- 2) On a vessel being used by the dealer or employee which has not been sold.
- 3) Beyond 30 days from the date of the vessel delivery.
- 4) When the date of the vessel sale or other fact is misrepresented on the application.

- 5) When the application is not completely filled out and properly signed by the purchaser and dealer.
- 6) When the full license fees have not been collected from the customer in money or trade in value.

The unlawful use of a vessel temporary permit may result in the suspension or revocation of a vessel dealer's license and/or a monetary penalty of up to \$1,000 per violation (WAC 308-93-295 and RCW 88.02.188).

#### SUMMARY OF VESSEL TITLE DOCUMENTS REQUIRED

One of the following ownership documents is required on a **NEW VESSEL WITH THE PURCHASE DATE OF JULY 1, 1985, or after,** regardless of model year (example: 1982 vessel sold for first time in November, 1985):

- Manufacturer's Statement of Origin (MSO).
- Carpenter's Certificate.
- Photocopy of factory invoice. A Certificate of Fact (TD-420-043) explaining why the MSO or Carpenter's Certificate is not available.
- Out-of-state title, or registration if state is a non-title state.
- Out-of-state record verification, notarized Affidavit of Loss of Title or Registration/Release of Interest (TD-420-040), if owners shown on verification are different than applicants.

If none of the above documents can be obtained, apply for a Bonded Title (TD-420-008).

One of the following is required for a vessel that was **purchased new on July 1, 1985**, **or after**, and has not been titled or registered regardless of model year, but is now being sold as a used vessel (example: 1986 vessel purchased new June 1986 and is now being traded in):

- Manufacturer's Statement of Origin (MSO).
- Carpenter's Certificate.
  - Photocopy of factory invoice. A Certificate of Fact (TD-420-043) explaining why the MSO or Carpenter's Certificate is not available must also be submitted.

If none of the above documents can be obtained, apply for a Bonded Title (TD-420-008). This would be done at a bonding company.

Obtain one of the following as proof of ownership for a **new or used vessel purchased prior to July 1, 1985**, but never titled and/or registered and for which the owner does not have any ownership documents:

Vessel data form (TD 420-162) is minimum proof of ownership.

If vessel entered from another state, a record verification from that state office

must be completed. If vessel was titled and/or registered, notarized releases of interest from owners shown on verification must also be submitted along with an affidavit of loss of title or registration and the record verification.

NOTE: If notarized releases of interest cannot be obtained, then the dealer must obtain a Bonded Title (TD-420-008).

If a **used vessel was purchased prior to July 1, 1985** and title and/or registration has been lost, obtain a notarized Affidavit of Loss of Title (TD-420-040) and notarized releases of interest from all owners shown on record.

If the vessel entered from another state, a record verification from that state office must be completed. If the vessel was titled and/or registered, notarized releases of interest from owners shown on verification must also be submitted with an Affidavit of Loss Title or Registration (TD-420-040) and the record verification.

NOTE: If notarized releases of interest cannot be obtained or the

outstanding certificate of title properly released, then the dealer

must go Bonded Title.

**SECTION 6** 

**FORMS** 

Here are the links to the Washington State Vessel Forms. To access them, just "click" on the desired form number, in  $\overline{\text{RED}}$  below.

FORM NUMBER	FORM NAME
DLR-430-012	Vessel Dealer Legal History
DLR-430-013	Bond Exemption Certification
DLR-430-014	Vessel Dealer Bond
DLR-430-216	Application for Change of Name or Address
TD-420-008	Application for bonded title
TD-420-040	Affidavit of Loss/Release of Interest
TD-420-043	Certificate of Fact
TD-420-050	Release of Interest/Power of Attorney
TD-420-162	Vessel data form
TD-420-289	Application for certificate of vessel title

# SECTION 7 WASHINGTON LAWS AND RULES

Here are the links to the Washington State Vessel Laws and Rules. To access them, just "click" on the desired Law (RCW) or Rule (WAC), in RED below.

**RCW 82.49.050** 

**RCW 88.02** 

**RCW 88.04.025** 

**RCW 88.08.020** 

**WAC 308-90** 

**WAC 308-93**